GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2902
ANSWERED ON:22.03.2005
PAPER PRODUCTION
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the existing number of paper, straw board and newspaper print manufacturing industrial units in the country;

(b) the total quantum of paper manufactured since May, 2004 till date;

(c) whether the units manufacturing quality paper have been identified;

(d) whether adequate financial assistance is being provided to the units concerned; and

(e) if so, the detaiis thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S ELANGOVAN):

(a) Paper Industry which includes Pulp, Paper and Paper Board and Newsprint is a de-licensed one. The data regarding the number of paper mills and newspaper print manufacturing industrial units in the country is: not centrally maintained. However, there are about 667 paper mills in the country out of which 73 number of mills are registered under schedule of Newsprint Control Order 2004 for manufacture of Newsprint paper.

(b) Total production of `Paper and Paperboard` and `Newsprint` during May to November, 2004 is 3395868 MT and 407266 MT respectively.

(c) With the opening up of the market, major players in the Indian paper industry have taken steps to be competitive in terms of product quality. Generally the integrated large paper mills using forest based raw material produce quality paper which contributes to nearly 36% out of the total country`s production of paper.

(d) and (e) The Government have provided number of financial assistance of the mills engaged in production of paper, paperboard and newsprint paper, such as:-

(i) A concessional excise duty of 8% for first clearance upto 3500 MT per annum is levied on paper and paperboard manufactured with not less than 75% non-conventionai raw material and 12% of Excise Duty thereafter.

(ii) The newsprint manufactured by the mills included in Schedule of the Newsprint Control Order, 2004 are exempted from excise duty.

(iii) Cess fund is allocated to carry out research and development work for the benefit of paper industry.

(iv) Duty free import of Pulp for manufacture of newsprint.